

STATE OF SOUTH CAROLINA

(Caption of Case)

IN RE:

Application of Goat Island Water & Sewer Co., Inc.
for an Increase in its Rates and Charges for the
provision of Water and Sewer Services and Approval
of Management Agreement

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2008 - 142 - S

(Please type or print)

Submitted by: Richard L. Whitt

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously
- ☒ Other: Routine

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit of Publication	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certification of Mailing	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input checked="" type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input checked="" type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input checked="" type="checkbox"/> Other: Settlement Testimony of Donny Burkett, CPA
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

**SETTLEMENT TESTIMONY OF
DONNY BURKETT, CPA
GOAT ISLAND WATER & SEWER**

September 23, 2008

PSCSC Docket No. 2008-142-W/S

**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION
WITH GOAT ISLAND WATER & SEWER CO., INC, ("GOAT ISLAND" OR
"COMPANY").**

A. My name is Donald H. Burkett. My Business address is 3101 Sunset
Boulevard, P.O. Box 2044 West Columbia, South Carolina, 29171.

**Q. WHAT IS YOUR EDUCATIONAL BACKGROUND AND WORK
EXPERIENCE?**

A. I am a Certified Public Accountant with the firm of Burkett, Burkett & Burkett,
Certified Public Accountants, P.A. where I currently serve as Vice President. I
graduated from the University of South Carolina in 1974 with a Bachelor of
Science Degree in Accounting. In 1976, I founded the firm of Burkett, Burkett, &
Burkett, Certified Public Accountants, P.A. I am a member of the American
Institute of Certified Public Accountants. I have also previously served as the
President of the South Carolina Association of Certified Public Accountants and
the Central Chapter of Certified Public Accountants and I am currently the
chairman of the South Carolina Board of Accountancy.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to support the Settlement Agreement filed with
this Commission on behalf of Goat Island and the South Carolina Office of
Regulatory Staff. I prepared financial documents used in the rate case
currently applied for based on records and information provided to me and my
staff by the company. I was provided with, and have reviewed, a copy of a
Settlement Agreement between the Applicant and the South Carolina Office of
Regulatory Staff (ORS), along with the Settlement Testimony of Ms. Sharon
Scott, and Mr. Willie Morgan from ORS. Based on my review, I support the
adoption of that Settlement Agreement by this Commission.

Q. PLEASE DESCRIBE THE SETTLEMENT.

A. The Settlement Agreement provides (i) a comprehensive settlement of all pending issues in this Docket, (ii) approves a reasonable and appropriate Operating Margin of 16.27%, (iii) allows the Company the opportunity to earn sufficient revenue to ensure safe and reliable services to its customers, (iv) places the utility on a more solid financial footing, (v) was reached in good faith and is fair to all parties and the utility's customers and (vi) is in keeping with ORS' goal of trying to facilitate a resolution of disputed issues between parties.

Q. DO YOU BELIEVE THE SETTLEMENT IS IN THE COMPANY'S AND THE CUSTOMERS' BEST INTERESTS?

A. Yes. I believe the Settlement Agreement is in the best interest of Goat Island and the Public and is just and reasonable. Furthermore, the rates, terms and conditions are sufficient to allow Goat Island the opportunity to recover revenues required to earn a fair return on their investment.

Q. ARE YOU ASKING THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA TO APPROVE THE SETTLEMENT AGREEMENT?

A. Yes. Based on my review of the Settlement Agreement, Settlement Testimonies, my participation in this Docket, my experience, education and training, I respectfully request that this Commission adopt the Settlement Agreement reached by the parties in this Docket.

Q. FINALLY, WOULD YOU LIKE TO ADDRESS YOUR DIRECT TESTIMONY, PREVIOUSLY FILED IN THIS DOCKET?

A. Yes. I still support my Direct Testimony and Exhibits submitted in this Docket, that testimony should be read in harmony with the Settlement Agreement reached in this Docket and the Settlement Testimony of witnesses Scott and Morgan.

Q. DOES THAT CONCLUDE YOUR SETTLEMENT TESTIMONY?

A. Yes.

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DOCKET NO. 2008- 142-WS

IN RE: Application of Goat Island Water &)	
Sewer Co., Inc. for an Increase)	
in its Rates and Charges for the)	Certificate of Service
Provision of Water and Sewer Services)	
and Approval of Management Agreement)	

I, Jennifer Stevenson, an employee of Austin & Rogers, P.A., certify that I placed a copy of the Settlement Testimony of Donny Burkett, CPA, in the U.S. Mails, addressed as below, with proper postage affixed thereto on the date below.

Jeffrey M. Nelson, Esquire
South Carolina Office of Regulatory Staff
1401 Main Street
Suite 800
Columbia, South Carolina 29201

/S/

Jennifer Stevenson

Columbia, South Carolina
September 23, 2008